

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Mexico

Post: Mexico

Market Concentration in Selected Agricultural and Food Subsectors

Report Categories:

Agriculture in the Economy

Competitor

Dairy and Products

Exporter Guide

Fresh Fruit

Grain and Feed

Livestock and Products

Oilseeds and Products

Poultry and Products

Retail Food Sector

Snack Foods

Vegetables

Wine

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Report Highlights:

The Mexican agricultural and food sector is marked by varying degrees of market concentration by subsector, with some subsectors (e.g., beer, corn flour milling, poultry meat production, cooking fats) dominated by a limited number of players, while others (e.g., bread baking, avocado and apple growing, hog production) are highly fragmented. This has obvious implications for the relative market power exercised by market actors and thus for price discovery in the various subsectors.

Executive Summary:

More than a dozen billion-dollar-plus agricultural and food subsectors in Mexico are marked by significant levels of market concentration. The most obvious such subsectors are:

Table 1. Mexico: Twelve Major Agricultural and Food Subsectors by Market Concentration

Subsector	Market Share (percent)	Number of Companies	% Market Share of Largest Actor
Wheat milling (~ US\$ 2 billion)	100	7	15.6
Hypermarkets (~ US\$ 16.67 billion)	98	5	38.6
Beer brewing (~ US\$ 9.95 billion)	97	2	55.9
Baby food (~ US\$ 1.55 billion)	85	3	60.5
Yoghurt / Sour milk (~ US\$ 1.37 billion)	85	5	24.2
Oilseed crushing (~ US\$ 1.7 billion)	80	5	23.3
Soft drinks / water (~ US\$ 21.6 billion)	75	3	39.8
<i>of which</i> Juices (~ US\$ 2.12 billion)	71	3	28.9
Breakfast cereals (~ US\$ 1.8 billion)	75	3	45.3
Snacks (~ US\$ 2.89 billion)	74	2	60.3
Animal feed mixing (~ US\$ 5 billion)	72	3	30.5
Fluid milk (~ US\$ 2.77 billion)	69	2	44.8
Broiler production (~ US\$ 4.91 billion)	64	3	38.0

Market sizes for some subsectors had to be derived from available data, and so may be subject to revision if better information becomes available.

General Information:

1. PACKAGED FOOD

1.1 Baby Food

- Market size, 2010: US\$ 1.55 billion.
- Category includes: dried and prepared baby food and baby formula.
- Nestlé leads the market with 60% of total value sales through its two companies, Nestlé Mexico and Productos Gerber. Mead and Pfizer follow far behind.

Company shares, by retail value, 2009

Company	Market Share
Nestlé SA	60.50%
Mead Johnson Nutrition Co.	12.90%
Pfizer Inc.	11.00%
Others	15.60%
Total	100%

1.2 Bakery products

- Market size, 2010: US\$ 25.37 billion.
- Category includes: bread, pastries, cakes, biscuits and breakfast cereals.
- Highly-fragmented artisanal production by independent bakers accounts for over two thirds of the market; of industrial production, Bimbo has the largest market share by more than 10% over the nearest competitor.

Company shares, by retail value, 2009

Company	Market Share
Grupo Bimbo SAB de CV	15.50%
PepsiCo Inc.	3.80%
Kellogg Co.	3.10%
Cereal Partners Worldwide SA	1.30%
Other industrial bakers	8.00%
artisanal bakery production	68.30%
Total	100%

including 1.2.1 Baked goods [bread, cakes and pastries]

- Market size, 2010: US\$ 21.21 billion.

- If one excludes artisanal production by a multitude of independent local bakeries, which account for more than 80% of the market, Bimbo is practically the sole player in industrialized bread production with a market share of over 86% of that market segment.

Company shares, by retail value, 2009

Company	Market Share
Grupo Bimbo SAB de CV	16.20%
Other industrial bread bakers	2.50%
artisanal bread production	81.30%
Total	100%

including 1.2.2 Biscuits, cookies and crackers

- Market size, 2010: US\$ 2.36 billion.
- After PepsiCo and Bimbo, no other company has a market share larger than 5%.

Company shares, by retail value, 2009

Company	Market Share
PepsiCo Inc.	33.40%
Grupo Bimbo SAB de CV	21.40%
Others	45.20%
Total	100%

including 1.2.3 Breakfast cereals

- Market size, 2010: US\$ 1.80 billion.

Company shares, by retail value, 2009

Company	Market Share
Kellogg Co.	45.30%
Cereal Partners Worldwide SA	19.40%
PepsiCo Inc.	10.60%
Others	24.70%
Total	100%

1.3 Canned Preserved Food

- Market size, 2010: US\$ 1.47 billion.
- Category includes: canned or preserved pulses, fish/seafood, fruit, meat/meat products, vegetables, ready meals and other foods.
- This is a highly fragmented industry in Mexico, in which the top five companies account for

almost 50% of the market, but no company reaches 15%.

Company shares, by retail value, 2009

Company	Market Share
Grupo Herdez SA de CV	13.00%
Pescados Industrializados SA de CV	11.30%
Conservas La Costeña SA de CV	9.70%
Marindustrias SA de CV	7.60%
Sabormex SA de CV	6.50%
Others	51.90%
Total	100%

1.4 Chilled Processed Food

- Market size, 2010: US\$ 855.80 million.
- Category includes: chilled processed meats, fish/seafood, ready meals, pasta, pizza and prepared salads.

Company shares, by retail value, 2009

Company	Market Share
Sigma Alimentos SA de CV	41.50%
Grupo Bafar	13.80%
Xignux SA de CV	11.70%
Others	33.00%
Total	100%

1.5 Confections

- Market size, 2010: US\$ 4.17 billion.
- Category includes: chocolate and sugar confections and chewing gum.

Company shares, by retail value, 2009

Company	Market Share
Cadbury Plc.	27.3%
Grupo Bimbo SAB de CV	9.6%
Mars Inc.	7.5%
The Hershey Co.	5.2%
Nestlé SA	4.5%
Ferrero Group	4.2%
Others	41.7%
Total	100%

1.6 Dairy Products

- Market size, 2010: US\$ 9.65 billion.
- Category includes: fluid milk products, cheese, yoghurt and sour milk drinks, chilled snacks, condensed/evaporated milk, and cream.
- Highly fragmented industry, with a large number of small-scale, artisan producers that distribute their products locally and regionally, though fluid milk processing is dominated by two brands, Lala and Alpura.

Company shares, by retail value, 2009

Company	Market Share
Grupo Industrial Lala SA de CV	20.50%
Ganaderos Productores de Leche Pura SA de CV	12.10%
Nestlé SA	11.50%
Sigma Alimentos SA de CV	6.10%
Groupe Danone	4.20%
Derivados de Leche La Esmeralda SA de CV	3.50%
Yakult Honsha Co. Ltd.	3.40%
Others	38.70%
Total	100%

including 1.6.1 Milk

- Market size, 2010: US\$ 2.77 billion.
- Category includes: fluid milk for drinking, both pasteurized and UHT.

Company shares, by retail value, 2009

Company	Market Share
Grupo Industrial Lala SA de CV	44.80%
Ganaderos Productores de Leche Pura SA de CV	24.20%
Others	31.00%
Total	100%

including 1.6.2 Cheese

- Market size, 2010: US\$ 3.43 billion.

Company shares, by retail value, 2009

Company	Market Share
Sigma Alimentos SA de CV	17.10%
Grupo Industrial Lala SA de CV	12.30%
Derivados de Leche La Esmeralda SA de CV	9.70%
Ganaderos Productores de Leche Pura SA de CV	6.00%
Chilchota Alimentos SA de CV	4.30%
Nestlé SA	4.10%
Others	46.50%
Total	100%

including 1.6.3 Yoghurt and Sour Milk Drinks

- Market size, 2010: US\$ 1.37 billion.

Company shares, by retail value, 2009

Company	Market Share
Groupe Danone	24.20%
Yakult Honsha Co. Ltd.	23.80%
Sodiaal SA	14.20%
Grupo Industrial Lala SA de CV	12.10%
Nestlé SA	10.40%

Others	15.30%
Total	100%

1.7 Dried Processed Food

- Market size, 2010: US\$ 2.49 billion.
- Category includes: rice, dessert mixes, dried ready meals, dehydrated soup, instant soup, dried pasta, plain noodles and instant noodles.

Company shares, by retail value, 2009

Company	Market Share
Toyo Suisan Kaisha Ltd.	21.20%
Grupo La Moderna SA de CV	18.00%
Compañía Arrocera Covadonga SA de CV*	9.20%
Unilever Group	6.00%
Barilla Holding SpA	4.60%
Kraft Foods Inc.	3.40%
Productos Verde Valle SA de CV	3.10%
Others	34.50%
Total	100%

*NOTE: On December 2010, Arrocera Covadonga ceased to operate and is currently in bankruptcy proceedings.

including 1.7.1 Noodles

- Market size, 2010: US\$ 705.2 million.

Company shares, by retail value, 2009

Company	Market Share
Toyo Suisan Kaisha Ltd.	74.60%
Nissin Foods Holdings Co. Ltd.	7.50%
Grupo La Moderna SA de CV	6.30%
Others	11.60%
Total	100%

including 1.7.2 Pasta

- Market size, 2010: US\$ 640.80 million.

Company shares, by retail value, 2009

Company	Market Share
Grupo La Moderna SA de CV	60.10%
Barilla Holding SpA	17.80%
Italpasta SpA	3.90%
Others	18.20%
Total	100%

including 1.7.3 Ready-To-Eat Meals

- Market size, 2010: US\$ 178.50 million.

- Category includes: canned/preserved, chilled or dried ready meals, chilled pizza and prepared salads.
- This category is highly segmented with no individual company holding more than 20% of total market share; still, Sigma has a large market share in the specific categories of chilled pizza (68%), Sigma and Bimbo are the leaders in the chilled prepared meals sector (with 25% and 24% market shares, respectively), while Proyectos Agrícolas accounts for half the market of prepared salads.

Company shares, by retail value, 2009

Company	Market Share
Sigma Alimentos SA de CV	15.50%
Grupo Bimbo SAB de CV	11.50%
El Trebol SA de CV	6.30%
Alimenmex S de RL de CV	5.50%
Proyectos Agrícolas SA de CV	5.20%
Others	56.00%
Total	100%

including 1.7.4 Rice

- Market size, 2010: US\$ 590.20 million.

Company shares, by retail value, 2009

Company	Market Share
Compañía Arrocera Covadonga SA de CV*	38.40%
Productos Valle Verde SA de CV	13.40%
Digrans SA de CV	11.60%
Others	36.60%
Total	100%

*NOTE: On December 2010, Arrocera Covadonga ceased to operate and is currently in bankruptcy proceedings.

including 1.7.5 Soup

- Market size, 2010: US\$ 170.20 million.
- Category includes: canned/preserved, dehydrated, instant and ultra high temperature (UHT) processed soup.

Company shares, by retail value, 2009

Company	Market Share
Unilever Group	42.50%
Campbell Soup Co.	42.40%
Others	15.10%
Total	100%

1.8 Frozen Processed Food

- Market size, 2010: US\$ 560.4 million.
- Category includes: frozen processed red meat, poultry, fish/seafood, vegetables, meat

substitutes, potatoes, bakery products, desserts, ready meals, pizza, soup and other frozen food.

- The market is highly fragmented, with no single company holding more than an 11% market share. The top five companies control a little over 40% of the market, with more than 40 companies accounting for the remainder of this category's market share.
- The top companies in this category each have a large market share in their specific sectors. McCain is the leader in frozen processed potatoes (38%), Sigma Alimentos in frozen specialty products (e.g., Mexican food with 24%), and American Beef leads the frozen processed meat category (60%). Similarly, La Huerta leads the frozen processed vegetables market (58%) and High Liner the frozen processed fish/seafood category (17%).

Company shares, by retail value, 2009

Company	Market Share
McCain Foods Ltd.	10.50%
Sigma Alimentos SA de CV	10.30%
American Beef SA de CV	8.50%
Frigorizados La Huerta SA de CV	6.40%
High Liner Foods Inc.	4.80%
Others	59.50%
Total	100%

1.9 Frozen Desserts

- Market size, 2010: US\$ 653.40 million.
- Category includes: ice cream, sherbet and frozen yoghurt.
- Unilever (through two companies: Helados Holanda and Unilever de Mexico SA de CV) and Nestle hold approximately 85% of the market. 3rd place Nutrisa, although only controlling 7% of the market, is the leader for frozen yoghurt.

Company shares, by retail value, 2009

Company	Market Share
Unilever Group	45.50%
Nestlé SA	20.40%
Nutrisa SA	6.70%
Others	27.40%
Total	100%

1.10 Fats and Oils

- Market size, 2010: US\$ 1.42 billion.
- Category includes: butter, cooking fats, margarine, spreadable fats and oils, and vegetable

oil.

- In the specific categories of this industry, Unilever stands out by accounting for 80% of the margarine market, worth US\$ 44.1 million.

Company shares, by retail value, 2009

Company	Market Share
Associated British Foods Plc.	23.20%
Fabrica de Jabon La Corona SA de CV	19.10%
Grupo DESC SA de CV	8.20%
Aceites Industriales El Zapote SA de CV	7.60%
Unilever Group	5.90%
Aceites Grasas y Derivados SA de CV	5.50%
Industrial Aceitera SA de CV	4.50%
Coral Internacional SA de CV	3.50%
Ragasa Industrias SA de CV	3.30%
Others	19.20%
Total	100%

including 1.10.1 Cooking Fats

- Market size, 2010: US\$ 171.4 million.

Company shares, by retail value, 2009

Company	Market Share
Associated British Foods Plc.	54.40%
Aceites Industriales El Zapote SA de CV	32.70%
Coral Internacional SA de CV	8.80%
Others	4.10%
Total	100%

including 1.10.2 Olive Oil

- Market size, 2010: US\$ 79.30 million.

Company shares, by retail value, 2009

Company	Market Share
SOS Corporacion Alimentaria SA	32.70%
Ybarra Group	18.50%
Candido Miro SA	12.60%
Aceites Borges Point	7.80%
Others	28.40%
Total	100%

including 1.10.3 Spreadable Oils and Fats

- Market size, 2010: US\$ 59.90 million.

Company shares, by retail value, 2009

Company	Market Share
Unilever Group	79.40%
Kraft Foods Inc.	14.20%

Others	6.40%
Total	100%

including 1.10.4 Vegetable Oil

- Market size, 2010: US\$ 1.02 billion.

Company shares, by retail value, 2009

Company	Market Share
Fabrica de Jabon La Corona SA de CV	26.40%
Associated British Foods Plc.	22.80%
Grupo DESC SA de CV	11.30%
Aceites Grasas y Derivados SA de CV	7.70%
Industrial Aceitera SA de CV	6.20%
Others	25.60%
Total	100%

1.11 Sauces, Dressings, and Condiments

- Market size, 2010: US\$ 3.32 billion
- Category includes: tomato pastes and purees, bouillon/stock cubes, herbs & spices, table sauces, soy-based sauces, pasta sauces, wet/cooking sauces, ketchup, mayonnaise, mustard, salad dressings, vinaigrettes, dips and pickled products.
- Highly fragmented market, with no company holding more than 15% market share; there are more than 50 companies in this category. However, in some specific markets, like mayonnaise and table sauces, the leading company holds larger market shares.

Company shares, by retail value, 2009

Company	Market Share
Conservas La Costeña SA de CV	13.00%
CorFuerte SA de CV [Del Fuerte]	10.40%
McCormick & Co. Inc.	10.10%
Unilever Group	7.50%
Grupo Herdez SA de CV	6.70%
Salsa Tamazula SA de CV	5.80%
Others	46.50%
Total	100%

including 1.11.1 Pickled Products [Preserved Fruits/Vegetables]

- Market size, 2010: US\$ 1.08 billion.

Company shares, by retail value, 2009

Company	Market Share
CorFuerte SA de CV [Del Fuerte]	23.70%
Conservas La Costeña SA de CV	23.40%
Empacadora San Marcos SA de CV	9.10%
Others	43.80%
Total	100%

including 1.11.2 Mayonnaise

- Market size, 2010: US\$ 626.20 million.

Company shares, by retail value, 2009

Company	Market Share
McCormick & Co. Inc.	49.30%
Unilever Group	14.20%
Conservas La Costeña SA de CV	7.60%
Kraft Foods Inc.	6.70%
Others	22.20%
Total	100%

including 1.11.3 Table Sauces (*Salsas*)

- Market size, 2010: US\$ 582.10 million.

Company shares, by retail value, 2009

Company	Market Share
Salsa Tamazula SA de CV	33.40%
Grupo Herdez SA de CV	15.70%
Conservas La Costeña SA de CV	11.60%
Del Monte Foods Co.	5.50%
Others	33.80%
Total	100%

1.12 Snack Bars

- Market size, 2010: US\$ 338.80 million.
- Category includes: breakfast, energy/nutrition, fruit and granola bars.

Company shares, by retail value, 2009

Company	Market Share
Grupo Bimbo SA de CV	42.90%
Kellogg Co.	23.70%
PepsiCo Inc.	13.20%
General Mills Inc.	3.10%
Others	17.10%
Total	100%

1.13 Spreads

- Market size, 2010: US\$ 666.80 million.
- Category includes: chocolate spreads, honey, jams/preserves and nut-based spreads.
- The generic category is led by McCormick and JM Smucker, which are the leading companies in the largest specific category, jams/preserves; however, Ferrero is the leader in the chocolate spreads category (80%), while Bimbo leads the nut-based spreads category (62%).

Company shares, by retail value, 2009

Company	Market Share
McCormick & Co. Inc.	29.80%
The JM Smucker Co.	21.00%
Conservas La Costeña SA de CV	9.60%
Sabormex SA de CV	7.90%
Grupo Bimbo SAB de CV	4.90%
Ferrero Group	2.70%
Others	24.10%
Total	100%

1.14 Sweet and Savory Snacks

- Market size, 2010: US\$ 2.89 billion.
- Category includes: chips/crisps, extruded snacks, fruit/seed/meat snacks, nuts, popcorn, and tortilla/corn chips.
- The generic category leader is by far, PepsiCo (through the Sabritas brand) with Bimbo (with the Barcel brand) in 2nd place. Interestingly, in all but two of the specific categories (fruit/seed/meat snacks and popcorn), the story is the same: PepsiCo leading with market shares going from 45% to 76% and Bimbo following with shares ranging from 7% to 26%.

Company shares, by retail value, 2009

Company	Market Share
PepsiCo Inc.	60.30%
Grupo Bimbo SAB de CV	14.00%
Others	25.70%
Total	100%

2. BEVERAGES

2.1 Beer

- Market size, 2010: US\$ 9.95 billion.
- Two companies practically control the market, Modelo and Heineken, which recently merged with FEMSA and its Cerveceria Cuauhtemoc Moctezuma brands.

Company shares, by retail value, 2009

Company	Market Share
Grupo Modelo SA de CV	55.90%
Heineken NV	41.60%

Others	2.50%
Total	100%

2.2 Spirits

- Market size, 2010: US\$ 2.17 billion.
- Category includes: brandy, cognac, liqueurs, rum, tequila, mescal, whiskey, gin, vodka and other spirits.
- This sector is highly fragmented, driven by the tequila/mezcal category, which accounts for half of the spirits marketed in Mexico. Much mezcal, in particular, is produced by artisans.

Company shares, by retail value, 2009

Company	Market Share
Groupe Pernod Ricard	16.90%
Grupo Cuervo SA de CV	12.70%
Bacardi & Co. Ltd.	10.50%
Diageo Plc.	8.10%
Fortune Brands Inc.	7.00%
Brown-Forman Corp.	5.20%
Others	39.60%
Total	100%

including 2.2.1 Brandy

- Market size, 2010: US\$ 292.30 million.
- Pernod Ricard's brands Presidente and Don Pedro lead this market.

Company shares, by retail value, 2009

Company	Market Share
Groupe Pernod Ricard	52.60%
Miguel Torres SA	21.10%
Others	26.30%
Total	100%

including 2.2.2 Rum

- Market size, 2010: US\$ 230.30 million.
- Bacardi is by far the leader, with Lascelles de Mercado's Appleton brand far behind in 2nd

place. The rest is split among 20+ companies, each with a small market share.

Company shares, by retail value, 2009

Company	Market Share
Bacardi & Co. Ltd.	38.70%
Miguel Torres SA	8.50%
Others	52.80%
Total	100%

including 2.2.3 Tequila/Mezcal

- Market size, 2010: US\$ 1.14 billion.
- Due to tequila's popularity, a large number of brands is available, some run by small artisanal companies. Still, the top five companies account for almost 70% of the market with top popular brands: Gran Centenario, Cabrito, El Jimador, Cazadores, Sauza, Jose Cuervo Tradicional, Herradura, Azul, Don Julio and Casco Viejo.

Company shares, by retail value, 2009

Company	Market Share
Grupo Cuervo SA de CV	24.20%
Fortune Brands Inc.	14.30%
Brown-Forman Corp.	11.20%
Tequila Centinela SA de CV	9.60%
Tequila Supremo SA de CV	8.90%
Bacardi & Co. Ltd.	8.00%
Others	23.80%
Total	100%

including 2.2.4 Whiskey

- Market size, 2010: US\$ 307.00 million.
- Whiskey represents the 2nd largest spirit sold in Mexico. Diageo, through its Johnny Walker, Buchanan's and J&B brands, is the market leader.

Company shares, by retail value, 2009

Company	Market Share
Diageo Plc.	58.40%
Groupe Pernod Ricard	22.40%
Bacardi & Co. Ltd.	7.70%
Others	11.50%
Total	100%

including 2.3 Wine

- Market size, 2010: US\$ 436.70 million.
- There are approximately 60 domestic wineries in Mexico, with 54 in Baja California, 2 in Queretaro, and a handful in Coahuila. Of them, Spanish-owned Freixenet holds the largest market position through marketing of both domestic (Queretaro) and imported (Spanish and U.S.) wines.
- Imported wines dominate this market segment, with European (Spanish and French), Argentinian and Chilean wines covering the vast majority.

Company shares, by retail value, 2009

Company	Market Share
La Madrileña SA de CV	15.70%
Groupe Pernod Ricard	9.60%
Viña Concha y Toro SA	8.40%
Vinicola LA Cetto SA de CV	8.10%
E&J Gallo Winery	7.80%
Freixenet SA	6.70%
Bacardi & Co. Ltd.	4.60%
Others	39.10%
Total	100%

2.4 Soft Drinks / Water

- Market size, 2010: US\$ 21.59 billion.
- Category includes: Bottled water, carbonates, concentrates, fruit/vegetable juices, ready-to-drink tea/coffee, and sports/energy drinks.
- Coca-Cola leads the market due to its large market share in this category's specific sectors: bottled water (2nd place), carbonates (1st place) and sports/energy drinks (2nd place).

Company shares, by retail value, 2009

Company	Market Share
The Coca-Cola Co.	39.80%
Groupe Danone	19.40%
PepsiCo Inc.	15.60%
Others	25.20%
Total	100%

including 2.4.1 Bottled Water

- Market size, 2010: US\$ 4.37 billion.
- Industry is led by Danone's three brands, Bonafont, Aga and Levite, with Coca-Cola's Ciel and Pepsi's Electropura closing in. Together they account for almost 80% of the market.

Company shares, by retail value, 2009

Company	Market Share
Groupe Danone	37.30%
The Coca-Cola Co.	25.90%
PepsiCo Inc.	16.30%
Others	20.50%
Total	100%

including 2.4.2 Carbonated Beverages

- Market size, 2010: US\$ 12.25 billion.
- Coca-Cola and Pepsi clearly run the market, with Big Cola and Dr. Pepper fighting their way into this segment.

Company shares, by retail value, 2009

Company	Market Share
The Coca-Cola Co.	66.60%
PepsiCo Inc.	16.40%
AJE Group	10.90%
Others	6.10%
Total	100%

including 2.4.3 Powder Concentrates

- Market size, 2010: US\$ 1.36 billion.

Company shares, by retail value, 2009

Company	Market Share
Kraft Foods Inc.	41.70%
Nestlé SA	12.90%
Corpora Tresmontes SA	11.20%
Others	34.20%
Total	100%

including 2.4.4 Fruit/Vegetable Juices

- Market size, 2010: US\$ 2.12 billion.

Company shares, by retail value, 2009

Company	Market Share
Jugos del Valle SAPI de CV	28.90%
Grupo Jumex SA de CV	23.70%
Grupo Industrial Lala SA de CV	18.30%
Others	29.10%
Total	100%

including 2.4.5 Sports/Energy Drinks

- Market size, 2010: US\$ 669.00 million.

Company shares, by retail value, 2009

Company	Market Share
PepsiCo Inc.	66.80%
The Coca-Cola Co.	13.10%
Red Bull GmbH	7.70%
Others	12.40%
Total	100%

3. AGRICULTURAL COMMODITIES

3.1 Sugar

- Market size, production cycle 2010-2011: 5.37 million MT valued at approximately US\$ 4.4 billion based on the 2010 sugar reference price.

Company shares, by estimated milling production, 2009

Company	Market Share
FEESA (10 sugar mills owned by GOM)	24.30%
Grupo Beta San Miguel	12.30%
Grupo Zucarmex (w/Cargill)	9.60%
Grupo Santos	9.00%
Grupo La Margarita	
Grupo Azucarero Mexico	7.00%
Others (50+ sugar mills)	37.80%
Total	100%

3.2 Apples (production)

- Market size, production, 2010: 564,800 MT, with an estimated value of US\$ 310 million.

Company shares, by production volume, 2009

Company Name	Market Share
La Norteñita	18.00%
Gran Vision	4.00%
Others	78.00%
Total	100%

3.3 Apples (imports)

- Market size, imports, 2009: 216,214 MT, with a value of US\$ 230 million.

Company shares, by import volume, 2009

Company	Market Share
Outlandish	7.00%
Vidimport	3.00%
Grupo Verdin	2.00%
Others	88.00%
Total	100%

3.4 Avocados (exports)

- Market size, exports, 2010: 348,643 MT, valued at US\$ 600 million.

Company shares, by export volume, 2010

Company	Market Share
Calavo de Mexico SA de CV	11.50%
Mission de Mexico SA de CV	8.00%
Frutas Finas de Tancitaro SA de CV	6.50%
Empacadora Agroexport SA de CV	6.10%
Global Frut	5.10%
Others	62.80%
Total	100%

3.5 Citrus [Fresh Concentrated Orange Juice]

- Market size, production, 2009: 82,000 MT, valued at US\$ 150 million.

Company shares, by production volume, 2009

Company	Market Share
Proeza	32.00%
Citromax	14.00%
Others	54.00%
Total	100%

3.6 Corn Flour

- Market size, 2010: approximately US\$ 500 million (based on estimated total milling of 11.8 MMT of corn into corn flour, an extraction rate of .589, and a wholesale price of US\$ 705 per metric ton).

Company shares, by production volume, 2010

Company	Market Share
Gruma SAB de CV	75.00%
Grupo Minsa SAB de CV	15.00%
Others	10.00%
Total	100%

3.7 Corn Starch

- Market size, 2010: US\$ 385 million.
- Corn starch production uses nearly 2.3 million MT of yellow corn annually and 90 to 95 percent is produced using corn imported from the United States.

Company shares, by production volume, 2010

Company	Market Share
Corn Products International Inc.	65.00%
Controladora ADM SA de CV [Almex]	35.00%
Total	100%

3.8 Animal Feed

- Market size, total animal feed consumption, 2010: 24.85 million MT, valued at approximately US\$ 5 billion.

Company shares, by animal feed processing, 2010

Company	Market Share
AMEPA, AC	30.50%
CONAFAB	22.00%
UNA	19.80%
Others	27.70%
Total	100%

3.9 Wheat Flour

- Market size, wheat production 2010-2011: 6 million MT, valued at approximately US\$ 2 billion.

Company shares, by estimated milling capacity, 2010

Company	Market Share
Molinera de Mexico SA de CV	15.60%
Grupo ALTEX SA de CV	10.90%
TRIMEX SA de CV	7.80%
Fabrica de Harinas Elizondo	7.70%
Grupo La Moderna SA de CV	6.10%
Harinera La Espiga SA de CV	5.90%
Molinos Unidos del Noroeste SA	5.10%
Others	0.00%
Total	100%

3.10 Rice Milling

- Market size, total consumption, 2010: 820,000 MT, valued at approximately US\$ 550 million.

Company shares, by milling production, 2010

Company	Market Share
IPACPA SA de CV	25.90%
Schettino Hermanos SRL	15.40%
Arrocera del Bajio SA de CV	14.60%
Mexicana de Arroz SA de CV	12.40%
Others	31.70%
Total	100%

3.11 Oilseed Crushing

- Market size, oilseed crushers' consumption, 2010: 4.95 million MT, valued at approximately US\$ 1.7 billion.

Company shares, by total imports, 2010

Company	Market Share
Proteinas y Oleicos SA de CV	23.30%
Ragasa Industrias SA de CV	23.25%
Cargill de Mexico	14.57%
ADM Bioproductos, Division Oleaginosas	11.30%
Aceites Grasas y Derivados SA de CV	9.07%
Industrias Pratona SA de CV	7.96%
Others	10.55%
Total	100%

3.12 Beef Production

- Market size, production 2010: 1.75 million MT, valued at approximately US\$ 8.75 billion.
- Beef production is a multi-stage process, involving cow-calf production (ranches), feeding (feedlots), and slaughter. Cow-calf production is highly fragmented, with tens of thousands of independent ranchers nationwide. Feedlot operators are somewhat more concentrated.
- Livestock slaughter is divided into two categories: slaughter in facilities federally inspected by the National Service of Health, Food Safety, and Food Quality (SENASICA), known as TIF

facilities, and slaughter in facilities under the jurisdiction of other health authorities (federal or local). TIF facilities are eligible to export their products to foreign countries. Their ownership is highly concentrated due to the high cost of observing TIF hygiene standards; ownership of non-TIF facilities is highly fragmented.

Company shares, by feedlot processing capacity, 2010

Company	Market Share
Grupo VIZ	16.00%
Grupo GUSI	6.00%
Praderas Huasteca	5.00%
Others	89.00%
Total	100%

including 3.12.1 Beef Production in Certified TIF Establishments

- Market size, production 2010: 5.4 million head, with production valued at approximately US\$ 7.5 billion.
- According to industry sources, 75% of the total meat from animals slaughtered in TIF-certified establishments is marketed by the top seven companies: Sukarne, Grupo Arias, Frigorifica Contreras, Procarne [Don Fileto], Carnes ViBa, Carnes el Alba, Consorcio Dipsen and Frigorifico Tabasco.

3.13 Broiler Meat

- Market size, 2010: US\$ 4.91 billion.

Company shares, by production, 2010

Company	Market Share
Industrias Bachoco SAB de CV	38.00%
Pilgrim's Pride S de RL de CV	14.00%
Tyson de Mexico	12.00%
Others	36.00%
Total	100%

3.14 Table Eggs

- Market size, 2010: US\$ 2.47 billion.

Company shares, by production capacity, 2010

Company	Market Share
Proteina Animal [Proan]	12.55%
Industrias Bachoco SAB de CV	7.81%
El Calvario	6.20%
Empresas Guadalupe	5.10%

Others	68.34%
Total	100%

3.15 Hog Production

- Market size, pig crop, 2010: 16 million head, value estimated at US\$ 2.5 billion assuming average slaughter weight on the hoof of 100 kilograms.
- Highly fragmented industry, with almost one million hog producers registered.

Company shares, by production, 2010

Company	Market Share
Granjas Carroll de Mexico	10.00%
Grupo Porcicola Mexicano [Keken]	7.00%
Others	83.00%
Total	100%

3.16 Pork Production

- Market size, production of pork 2010: 1.17 million MT carcass weight, valued at US\$ 2.92 billion.

Company shares, by production, 2010

Company	Market Share
Grupo Porcicola Mexicano [Keken]	10.00%
Grupo Kowi SA de CV	8.00%
Norson	7.00%
Sonora Agropecuaria	6.00%
Grupo Bafar	5.00%
Others	64.00%
Total	100%

4. RETAILING

4.1 Store-based retailing

- Market size, 2010: US\$ 178.39 billion.
- Category includes: Discounters, food/drink/tobacco specialized stores, hypermarkets, convenience stores, independent small grocers, supermarkets, department stores, variety stores and warehouse clubs.
- Wal-Mart includes the Bodegas Aurrera chain; Controladora Comercial Mexicana co-owns Costco in Mexico and owns the Sumesa chain, among other outlets.

Company shares, by retail value, 2010

Company	Market Share
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Wal-Mart Stores Inc.	13.20%
Organizacion Soriana SA de CV	3.80%
Fomento Economico Mexicano SA de CV (FEMSA)	2.70%
Controladora Comercial Mexicana SA de CV	2.30%
El Puerto de Liverpool SA de CV	1.90%
Coppel SA de CV	1.90%
Others	74.20%
Total	100%

including 4.1.1 Discounters

- Market size, 2010: US\$ 19.53 billion.
- Chained or independent retail outlets with a selling space between 400 and 2,500 square meters focusing on groceries at budget prices.

Company shares, by retail value, 2010

Company	Market Share
Wal-Mart Stores Inc.	46.60%
Organizacion Soriana SA de CV	7.70%
Tiendas 3B SA de CV	6.20%
Others	39.50%
Total	100%

including 4.1.2 Food/drink/tobacco specialized stores

- Market size, 2010: US\$ 4.09 billion.

Company shares, by retail value, 2010

Company	Market Share
Grupo Bimbo SAB de CV	3.20%
Vinos y Licores Naucalpan SA	1.70%
Others	95.10%
Total	100%

including 4.1.3 Hypermarkets

- Market size, 2010: US\$ 16.67 billion.
- Chained or independent retail outlets with retail space exceeding 2,500 sq. meters.

Company shares, by retail value, 2010

Company	Market Share
Wal-Mart Stores Inc.	38.60%
Organizacion Soriana SA de CV	24.90%
Grupo Comercial Chedraui SA de CV	17.50%
Controladora Comercial Mexicana SA de CV	9.90%
Casa Ley SA de CV	7.50%
Others	1.60%
Total	100%

including 4.1.4 Convenience Stores

- Market size, 2010: US\$ 5.60 billion.
- FEMSA operates the Oxxo chain, and Grupo Modelo the Extra chain, both of which were initially founded as outlets for their respective owners' beers. Seven & I Holdings is the parent company of 7-Eleven.

Company shares, by retail value, 2010

Company	Market Share
Fomento Economico Mexicano SA de CV (FEMSA)	73.90%
Seven & I Holdings Co. Ltd.	12.60%
Grupo Modelo SA de CV	6.60%
Others	6.90%
Total	100%

including 4.1.5 Supermarkets

- Market size, 2010: US\$ 9.28 billion.
- Chained or independent retail outlets with retail space between 400 and 2,500 square meters, excluding discounters and convenience stores.

Company shares, by retail value, 2010

Company	Market Share
Wal-Mart Stores Inc.	12.30%
Controladora Comercial Mexicana SA de CV	10.40%
Organizacion Soriana SA de CV	7.20%
Casa Ley SA de CV	3.90%
HE Butt Grocery Co. (H-E-B)	3.20%
Supermercados Organizados SA de CV	2.80%
Almacenes Zaragoza SA de CV	2.30%
Others	57.90%
Total	100%

including 4.1.6 Department Stores

- Market size, 2010: US\$ 5.98 billion.

Company shares, by retail value, 2010

Company	Market Share
El Puerto de Liverpool SA de CV	56.20%
Grupo Carso SA de CV	24.30%
Grupo Palacio de Hierro SA de CV	17.10%
Others	2.40%
Total	100%

including 4.1.7 Warehouse Clubs

- Market size, 2010: US\$ 7.85 billion.

Company shares, by retail value, 2010

Company	Market Share
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Wal-Mart Stores Inc.	77.10%
Controladora Comercial Mexicana SA de CV	13.20%
Organizacion Soriana SA de CV	6.30%
Casa Ley SA de CV	3.40%
Total	100%

4.2 Vending

- Market size, 2010: US\$ 309.60 million.

Company shares, by retail value, 2010

Company	Market Share
The Coca-Cola Co.	49.00%
Grupo Bimbo SAB de CV	20.80%
PepsiCo Inc.	9.30%
Others	20.90%
Total	100%

Table 5. Mexico: Top Food and Beverage Company Profiles

Company	Sales / Employees (2009, unless otherwise indicated)
7-Eleven de Mexico SA de CV	8.93 million MXN / 1,191 outlets
Cadena Comercial OXXO SA de CV	53.59 million MXN / 7,329 outlets
Coca-Cola de Mexico	13.50 billion MXN / 376 employees
Controladora Comercial Mexicana	54.00 billion MXN / 190 outlets
Danone de Mexico SA de CV	14.10 billion MXN / 12,600 employees
Fomento Economico Mexicano SA de CV	102.80 billion MXN / 67,502 employees
Granjas Carroll de Mexico	US\$ 237 million / 1,000 employees
Gruma SAB de CV	50.49 billion MXN / 20,000 employees
Grupo Alpura	US\$ 948 million / 11,737 employees
Grupo Bafar	5.23 billion MXN / 9,000+ employees
Grupo Bimbo SAB de CV	US\$ 9.76 billion (2010) / 108,000 employees
Grupo Gusi	US\$ 50-100 million / 100-500 employees
Grupo Herdez SA de CV	8.27 billion MXN / 6,500 employees
Grupo Industrial Lala SA de CV	US\$ 4.66 billion / 34,587 employees

Grupo La Moderna SA de CV	5.96 billion MXN / 4,300 employees
Grupo Porcicola Mexicano, SA de CV	US\$ 173 million (2006) / 3,000 employees
Grupo VIZ	US\$ 1.37 billion (2010) / 5,000 employees
Industrias Bachoco, SAB de CV	1.96 billion MXN / 24,065 employees
Kellogg's de Mexico SA de CV	US\$ 12.6 billion (global sales)
La Madrileña SA de CV	2.34 billion MXN / 200 employees
Nestlé Mexico SA de CV	38.00 billion MXN / 6,500 employees
Organizacion Soriana	88.64 billion MXN / 753 outlets
PepsiCo Mexico SA de CV	3.3 billion MXN / 65,000 employees US\$ 102 million in sweet and savory snacks US\$ 10 million in snack bars (2010)
Pescados Industrializados SA de CV	Not available / 3,700 employees
Pilgrim's Pride, S de RL de CV	593 million MXN / 4,800 employees
Praderas Huastecas SA de CV	US\$ 50-100 million / 100-500 employees
Qualtia Alimentos SA de CV	375 million MXN / 7,500 employees
Sigma Alimentos	29.66 billion MXN / 28,227 employees
Tyson de Mexico SA de CV	448 million MXN / 5,280 employees
Wal-Mart de Mexico	264.24 billion MXN / 1,110 outlets

Sources: National Institute of Geography & Statistics (INEGI), Food & Fisheries Statistics Service (SIAP), Support and Services for Agricultural Trading (ASERCA), National System of Information and Integration of Markets (SNIIM), Euromonitor International, Expansion: Las 500 empresas mas importantes de Mexico (2009 and 2010 editions), companies' websites and annual reports, National Chamber of Industrialized Corn (CANAMI), Mexican Association of Feed Producers (AMEPA), U.S. Wheat Associates Inc., Mexican Rice Council, Mexico's National Association of Oils, Fats and Shortening (ANIAME), ProMexico, Mexican Association of Bovine Feedlots (AMEG), National Confederation of Cattlemen Organizations (CNOG), Confederation of Mexican Pork Producers, National Poultry Union (UNA), USA Poultry & Egg Export Council, U.S. Meat Export Federation.

Table 6. Mexico: Monthly Exchange Rate Averages for 2009-2011 in Mexican Pesos per U.S. Dollar

	2009	2010	2011
January	13.15	12.80	12.13
February	14.55	12.95	12.06
March	14.71	12.59	12.00
April	13.41	12.23	11.73
May	13.19	12.71	
June	13.47	12.72	
July	13.36	12.65	
August	13.00	13.15	
September	13.41	12.84	
October	13.24	12.44	
November	13.12	12.33	
December	12.85	12.39	
Annual Avg.	12.33	12.65	12.06

FOR MORE INFORMATION

FAS/Mexico Web Site: We are available at: <http://www.mexico-usda.com> or visit the FAS headquarters' home page at: <http://www.fas.usda.gov> for a complete selection of FAS worldwide agricultural reporting.

FAS/Mexico YouTube Channel: Catch the latest videos of FAS Mexico at work:
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Other Relevant Reports Submitted by FAS/Mexico:

Report Number	Subject	Date Submitted
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MX1036	Mexico Updates Support Program for Corn-Dough	05/06/11
MX1021	Livestock and Products Semi-annual	03/17/11
MX1023	Oilseeds and Products Annual	04/01/11
MX1013	Poultry and Products Semi-annual	02/04/11
MX0321	Mexico Retail Sector Report 2010 - Updated	12/28/10
MX0093	Citrus Annual	12/15/10
MX0059	Poultry and Products Annual	09/01/10
MX8501	Convenience Stores	01/25/08

Useful Mexican Web Sites: Mexico's equivalent to the U.S. Department of Agriculture, SAGARPA, can be found at <http://www.sagarpa.gob.mx> and Mexico's equivalent to the U.S. Department of Commerce, SE, can be found at <http://www.economia.gob.mx> These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with, the information contained on these sites.